

Old Age, Disability, Death

First law: 1953.

Current law: 1985, as amended in 1991.

Type of program: Provident fund system. Lump-sum benefits and annuity payments.

Exchange rate: U.S. \$1.00 equals \$1.47 Singapore dollar (S\$).

Coverage

Employed persons earning more than S\$50 a month. Also some self-employed workers.

Exclusions: Members of approved equivalent private plans.

Special pension system for public employees.

Source of Funds

Insured person: No contribution if earnings below S\$200 a month. 20% for wages over \$200. Lower contribution rates for workers age 60 or older.

Employer: No contribution if earnings below S\$50 a month. If S\$50 or over, contributions are 20% of monthly earnings. Lower contribution rates for employees age 55 or older.

Government: None.

The government's aim is to set the long-term Central Provident Fund rate for both employees and employers at 20%.

Lower contribution rates apply to persons aged 55 and over.

Qualifying Conditions

Old-age benefit: Age 55.

Disability benefit: Permanent incapacity for work.

Survivor benefit: Nomination as beneficiary by insured.

Old-Age Benefits

Old-age benefit: Lump sum equal to total employee and employer contributions, plus at least 2.5% compound interest (actual rate is linked to average commercial savings and fixed deposit rates—adjusted every January 1 and July 10), less amount set aside for medical contingencies (see *Medical Care*).

In addition, under the Minimum Sum Scheme, initiated January 1, 1987, S\$35,400 (S\$40,000 as of July, 1995) must be left in the account to ensure continued income from age 60.

Permanent Disability Benefits

Disability benefit: Lump sum equal to total employee and employer contributions, plus at least 2.5% compound interest (actual rate is linked to average commercial savings and fixed deposit rates, adjusted every January 1 and July 1), less amount set aside for medical contingencies (see *Medical Care*).

Survivor Benefits

Survivor benefit: Lump sum equal to total employee and employer contributions, plus at least 2.5% compound interest (actual rate is linked to average commercial savings and fixed deposit rates, adjusted every January 1 and July 1), less amount set aside for medical contingencies (see *Medical Care*). Payable to nominated survivors or legal heirs.

Administrative Organization

Ministry of Labor, general supervision.

Central Provident Fund, custody of fund and administration of program; managed by tripartite board and Chairman.

Sickness and Maternity

First and current law: 1983.

Type of program: Provident fund system. Hospitalization and selected outpatient treatments. Medical care available in government approved hospitals. Payment on scale of rates.

Coverage

Employed persons and self-employed covered by Central Provident Fund.

Source of Funds

Insured person: 3% of Old-Age, Disability and Death contribution set aside for *Medisave* account to cover costs of hospitalization.

Employer: 3% of Old-Age, Disability and Death contribution set aside for employee's *Medisave* account.

Government: Annual subsidy.

Maximum: S\$360 a month. Self employed: 5%, maximum S\$3,600 per year (1996—6%, maximum S\$4,320). Minimum covered net self-employment income for contributions, S\$2,400 per year.

Qualifying Conditions

Cash sickness and maternity benefits: None under insurance.

Medical benefits: Holders of *Medisave* Account in Central Provident Fund. Persons over age 55 required to maintain balance of S\$12,000 for 1995 (to be increased by S\$1,000 per year until it reaches S\$15,000) in *Medisave* Account for future hospitalization costs.

Sickness and Maternity Benefits

Sickness benefit: None under insurance.

(1985 Employment Act requires employers to provide 14 days of paid sick leave a year, or up to 60 days if worker hospitalized; applicable only if employee has worked for at least one year.)

Maternity benefit: None under insurance.

(1985 Employment Act requires employers to pay full wages for up to 4 weeks before and 4 weeks after confinement to women with at least 180 days of employment in preceding year; limited to the first two children.)

Workers' Medical Benefits

Medical benefits: Outpatient treatment and inpatient hospital care, including day-surgery treatment, in government hospitals, and prescribed medicines. Costs deducted from balance in *Medisave* Account.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for family head.

Administrative Organization

Ministry of Labor, general supervision and enforcement of employer liability for sick leave and maternity leave.
Central Provident Fund, administration of program.
Ministry of Health, provision of medical services through government hospitals.

Employers may insure liability with private companies; Ministry may require any employer or class of employers to insure.

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Work Injury

First law: 1929.
Current law: 1985.
Type of program: Employer liability/compulsory insurance with private carrier.

Coverage

All manual labor, except domestic servants, casual employees, and family labor; salaried employees earning less than S\$1,500 a month.
Special program available for the police.

Source of Funds

Insured person: None.
Employer: Whole cost, through direct provision of benefits or insurance premiums.
Government: None.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit : 100% of earnings during first 14 days (60 days if hospitalized); 2/3 of monthly earnings thereafter.
Payable from 1st day of incapacity for a maximum of 1 year.

Permanent Disability Benefits

Permanent disability benefit: Lump sum of 6 to 12 years' earnings (according to age), if totally disabled. Maximum, S\$105,000.
Minimum, S\$35,000.
Constant-attendance supplement: 25% of grant.
Partial disability: Lump sum in proportion to degree of incapacity, or according to schedule in law for specified injuries.

Workers' Medical Benefits

Medical benefits: Necessary medical treatment, hospitalization, appliances, and medicines. May be provided in government facility.

Survivor Benefits

Survivor benefit: Lump sum of 4 to 9 years' earnings, according to age of deceased.
Maximum, S\$78,000. Minimum, S\$26,000. Payable to eligible dependents.

Administrative Organization

Ministry of Labor, general supervision.
Commissioner for Labor, enforcement of law, approval of agreements between employers and claimants, and allocation of survivor grants.